Have You Heard the News?

Realizing Savings on Voice Telecommunications
—VITA releases tips for telecommunications reviews—

April 2, 2004

In this time of resource constraints, it is important to review state spending in all areas that are considered essential to government operations – including telecommunications services. While these services are extremely important to state government, without a regular review, costs based on utilization (such as long distance) can easily climb; unnecessary or unused services can continue to incur costs; and, newer, more cost-efficient service plans can be overlooked.

> *For example, a recent, successful review of 1-800-inbound voice services in all executive agencies yielded $102,588 in annual savings from the elimination of sixty 1-800-inbound voice lines that were found to be unnecessary.*

Agencies should have business processes in place to perform a periodic review of their telecommunications costs. VITA is providing the following tips for accomplishing such a review:

- **Long Distance.** All employees who use long distance should review actual usage monthly for correctness and to assure calls were made for official state business.

- **Inventory of services.** Agencies should perform a quarterly or semi-annual review of their inventory of telecommunications services to verify that each service is associated with a specific staff person or application. If the use of a service cannot be verified with records, further investigation is warranted.

- **Lowest Cost Alternative.** Agencies should verify that they do not subscribe to services that cost more in a specific location of the state than necessary.

- **Cell Phones.** Cellular phone usage has grown significantly over the past few years. An important factor in controlling cellular phone costs is ensuring a user's cellular plan matches closely the actual pattern of usage. VITA has developed a Web-based tool to assist agencies in analyzing their cellular bills and recommend optimum plans based on usage patterns. To learn more about the tool, visit http://www.vita.virginia.gov/services/voiceServices/cellular/webCellularTool.cfm.

- **Telecommunications Audit.** VITA has recently contracted with ASYNCROB, Inc. to provide a telecommunications inventory audit service to state agencies. ASYNCROB consultants can come into an agency and perform a review of all telecommunications inventory and identify unnecessary services or service billing errors. The service is contingency fee-based. (If ASYNCROB finds billing errors, they receive 20% of the error as their fee. If they recommend changes to telecommunications services that result in "future savings," and the agency implements the changes, ASYNCROB receives 16.85% of "future savings" for a maximum of 90 days.) VITA is currently conducting a pilot of this service with the Department of Transportation, the Department of Forestry, and the Department of Aviation. The pilot will evaluate the costs and benefits of using the service to quantify its net benefit to the state. Findings from the pilot should be available by July 2004.

For additional information regarding these cost-savings tips, contact Pam Seay in VITA's voice engineering group at pam.seay@vita.virginia.gov.

The creation of VITA by the 2003 General Assembly is intended to yield significant savings for the Commonwealth, and increased efficiencies and service improvements to the state's technology infrastructure.

To view this and other VITA Bulletins, visit http://www.vita.virginia.gov/news/vitaBulletins/vitaBulletins.cfm.

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